

Township of Goodland
Building Authority

Lapeer County, Michigan

Audited Financial Report
June 30, 2004

Lehn L. King

Certified Public Accountant
Marlette, Michigan

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Name (Specify) <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other Goodland Building Authority			County Lapeer
Audit Date June 30, 2004	Opinion Date 09/14/04	Date Accountant Report Submitted to State: 10/22/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

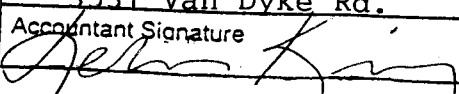
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) Lehn L. King, CPA			
Street Address 3531 Van Dyke Rd.	City Marlette	State MI	ZIP 48453
Accountant Signature 			

Township of Goodland
Building Authority
Annual Financial Report
For The Fiscal Year Ended June 30, 2004

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Board Members
Township of Goodland Building Authority
Imlay City, MI 48444

Independent Auditor's Report

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Goodland's Building Authority, Michigan as of and for the year ended June 30, 2004, which collectively comprise the Building Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Goodland's Building Authority's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Goodland's Building Authority as of June 30, 2004 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, and the budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, I did not audit the information and express no opinion on it.

The Audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Goodland Building Authority's basic financial statements. The accompanying other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As described in Note 1, the Building Authority has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and related statements, as of July 1, 2003.

Lehn King

Lehn L. King
Certified Public Accountant

September 14, 2004

GOODLAND TOWNSHIP

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Looking Forward Toward the Future



Township Board

SUPERVISOR: RONALD CISCHKE
TREASURER: LOUIS PARSCHE
CLERK: ANNA MARIA CALIANNI
TRUSTEES: NORM TANIS
BARBARA SAK

www.geocities.com/goodlandtownship/index.html

Management's Discussion And Analysis Letter

Our discussion and analysis of the Goodland Township Building Authority provides an overview of the Building Authority's activities for the fiscal year ended June 30, 2004. Please refer to it in conjunction with the Goodland Township Building Authority's financial statements.

Financial Highlights

During this fiscal year the construction of the new town hall and related activities were completed. The USDA loan was finalized and the excess funds that were received were applied to the principal of the loan.

- All the USDA payments are made through lease revenue received from the Goodland Township General Fund and Fire Fund.
- At the date of this letter the revenue sharing for the 2004-2005 fiscal year is expected to remain at the same level, thereby assuring that the lease payment will be paid.
- The Fire Fund is scheduled to make a payment of \$3,000 over the next four years, having made the first payment on June 30, 2004. This payment is for their share of the parking lot and the painting of the fire hall whose costs were included in the USDA loan.
- The financial stability of the Building Authority is based on the lease payments from the township.
- The Building Authority members have decided to keep the balance in the checking account at the minimum of \$6,000 for any changes to the front doors of the new town hall that may be necessary. When the front doors are corrected to the members' satisfaction, the balance of the funds will be applied to the principal of the loan.

Building Authority Activities

The Building Authority's revenues come solely from the lease payments made by the Goodland Township General Fund and Fire Fund. The Building Authority board meets to approve the mortgage payment on the USDA loan; and to approve any improvements or expenditures related to the land and buildings.

Contacting the Building Authority

This report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Building Authority's finances and to demonstrate its accountability for the monies it receives. If you have any questions about this report or need additional financial information, contact the Goodland Township office at the above numbers.

John R. Calianno, Jr.
Goodland Township Building Authority Chairman

Goodland Township Building Authority

Statement of Net Assets (Deficit)

June 30, 2004

	<u>Primary Government Governmental Activities</u>
<u>Assets</u>	
Cash & Cash Equivalents	\$ 6,491
Capital Assets (Net of Accumulated Depreciation)	<u>490,463</u>
<u>Total Assets</u>	<u>496,954</u>
<u>Liabilities</u>	
Accrued Interest Payable	7,681
USDA Loan Payable - Due Within One Year	10,000
USDA Loan Payable	<u>480,000</u>
<u>Total Liabilities</u>	<u>497,681</u>
Net Assets (Deficit)	
Invested in Capital Assets - Net of Related Debt	(7,218)
Unrestricted	<u>6,491</u>
<u>Total Net Assets (Deficit)</u>	<u>\$ (727)</u>

The notes are an integral part of the statements.

Goodland Township Building Authority Statement of Activities For the Year Ended June 30, 2004

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Assets	
	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 37,760	\$ 35,024	\$ 0	\$ (2,736)	
Total Governmental Activities	\$ 37,760	\$ 35,024	\$ 0	\$ (2,736)	
General Revenues:					
Transfers				\$ 2,278	
				2,278	
Change in Net Assets				(458)	
Net Assets (Deficit) - Beginning of Year				(269)	
Net Assets (Deficit) - End of Year				\$ (727)	

Total General Revenues, Special Items & Transfers

Goodland Township Building Authority

Governmental Funds

Balance Sheet

June 30, 2004

	Total Governmental Funds
<u>Assets</u>	
Cash	\$ 6,491
<u>Total Assets</u>	<u>\$ 6,491</u>
<u>Liabilities & Fund Equity</u>	
<u>Liabilities</u>	<u>\$ 0</u>
<u>Fund Equity</u>	
Fund Balance	<u>6,491</u>
<u>Total Liabilities & Fund Balance</u>	<u>\$ 6,491</u>

The notes are an integral part of the statements

Goodland Township Building Authority

Governmental Funds Reconciliation of Fund Balances to the Statement of Net Assets (Deficit) For The Year Ended June 30, 2004

Total Fund Balances for Governmental Funds	\$ 6,491
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Amounts reported for Governmental Activities in the Statement of
Net Assets (Deficit) are different because:

Capital Assets used in Governmental Activities are not Financial Resources and are not reported in the Funds	490,463
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Long-Term Bonds Payable are not due and payable in the current period and are not reported in the Funds	(490,000)
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Accrued Interest Payable is not reported in the Funds	<u>(7,681)</u>
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Net Assets of Governmental Activities	<u><u>\$ (727)</u></u>
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The notes are an integral part of the statements.

Goodland Township Building Authority
Governmental Funds
Statement of Revenues, Expenditures, And Changes in Fund Balances
For the Year Ended June 30, 2004

	Total Governmental Funds
<u>Revenues</u>	
Rental Income - Goodland Township	\$ 34,593
Loan Proceeds - USDA	27,000
<u>Total Revenues</u>	61,593
<u>Expenditures</u>	
Salaries	920
Social Security Taxes	64
Professional Fees	1,294
Capital Outlay	34,000
Debt Service - Principal	10,000
Debt Service - Interest	21,593
<u>Total Expenditures</u>	67,871
Excess of Revenues Over (Under) Expenditures	(6,278)
<u>Other Financing Sources (Uses)</u>	
Operating Transfers In (Out)	2,278
<u>Net Change in Fund Balance</u>	(4,000)
<u>Fund Balance - July 1, 2003</u>	10,491
<u>Fund Balance - June 30, 2004</u>	\$ 6,491

The notes are an integral part of the statements.

Goodland Township Building Authority

Governmental Funds

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For The Year Ended June 30, 2004

Net Change in Fund Balances - Total Governmental Funds	\$ (4,000)
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Amounts reported for Governmental Activities in the Statement of
Activities are different because:

Governmental Funds report Capital Outlays as Expenditures; in the Statement of Activities, these costs are capitalized and allocated over their estimated useful lives as Depreciation	34,431
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Repayment of Bond Principal is and Expenditure in the Governmental Funds, but not in the Statement of Activities (where it reduces Long-Term Debt)	(17,000)
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Interest Expense is reported in the Statement of Activities when a Liability is incurred; they are reported in the Governmental Funds only when payment is due	(7,681)
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Depreciation is an Expenditures for the Statement of Activities, but is not reported in the Governmental Funds	<u>(6,208)</u>
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Net Assets of Governmental Activities	<u>\$ (458)</u>
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The notes are an integral part of the statements.

Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

Note 1 - Summary of Significant Accounting Policies:

Description of Association Operations & Fund Types

The Goodland Township Building Authority was created on March 28, 2000, by Goodland Township, for the purpose of construction of a Township hall and lease back to the Township of Goodland.

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) in its Statement No. 14, the Goodland Township Building Authority is not considered to be part of any other governmental entity for financial reporting purposes. The criteria established by GASB for determining the various governmental organizations to be included in the reporting entity's financial statements include oversight responsibility, scope of public services, fiscal independence, financial accountability, imposition of will and financial benefit or burden. On this basis, the financial statements of other governmental organizations are not included in the financial statements of the Goodland Township Building Authority.

Component Units - In accordance with generally accepted accounting principles, there are no component units of Government required to be included in the Financial Reporting Entity either as blended component units or discretely presented component units.

Government-wide and Fund Statements Fund

The Government-wide Financial Statements (i.e., the Statement of Net Assets (Deficit) and the Statement of Activities) report information on all the nonfiduciary activities of the Building Authority (the primary government). The effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function (governmental activities) or identifiable activity (business-type activities) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or activity; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other revenue items properly excluded from program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds, and Fiduciary Funds, even though the latter are excluded from the Government-wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

The Building Authority reports the following major governmental fund:

General Fund - The General Fund is the Building Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Measurement Focus and Basis of Accounting

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period, generally collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes, intergovernmental revenues, special assessments, licenses, charges for services, and interest. All other revenue items are considered to be available only when cash is received by the Building Authority. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and claims and judgments are recorded only when payment is due.

Cash - The Building Authority does not pool cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Building Authority's investments.

Investments - Debt securities are valued at cost since it is generally the policy of the Building Authority to hold such investments until they mature.

Due to and Due from Other Funds - Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Capital Assets - Capital assets, which include buildings and equipment, are reported in the applicable governmental column in the Government-wide Financial Statements. Capital assets are defined by the Building Authority as assets with an initial individual cost of more than \$1000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings & Building Improvements	40 years
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Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

Long-Term Obligations - In the Government-wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, issuance costs, and the deferred amount on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred amount on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Accounting Changes

GASB Statement No. 34 - Effective July 1, 2003, the Building Authority implemented the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (GASB No. 34). Changes to the Building Authority's financial statements as a result of GASB No. 34 are as follows:

- A management's discussion and analysis (MD&A) section providing analysis of the Building Authority's overall financial position and results of operations has been included.
- Government-wide Financial Statements (statement of net assets (deficit) and statement of activities) prepared using full accrual accounting for all of the Building Authority's activities have been provided.
- Capital assets in the governmental activities column of the statement of net assets (deficit) includes assets not previously accounted for by the Building Authority. In addition, the governmental activities column includes bonds and other long-term obligations previously reported in the General Long-term Debt Account Group.
- The fund financial statements focus on major funds rather than fund types.

Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

Note 2 - Cash & Cash Equivalents:

In accordance with Michigan Compiled Laws, the Authority is authorized to invest as follows:

- a) In bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the Government National Mortgage Association.
- b) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union is eligible to be a depository of surplus funds belonging to the State under Sections 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.
- c) In commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase. Not more than 50% of any fund may be invested in commercial paper at any time.
- d) In the United States government or federal agency obligations repurchase agreements.
- e) In bankers acceptances of United States Banks.
- f) In mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

Deposits

Michigan Public Acts authorize the units of local government in Michigan to deposit in the accounts of federally insured banks, insured credit union, and savings and loan association. Deposits of the Authority are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Authority.

Federal Deposit Insurance Corporation (FDIC) regulations provide that deposits of governmental units are to be separately insured for the amount of \$100,000 for deposits in an insured bank for savings deposits and \$100,000 for demand deposits. Furthermore, if specific deposits are regulated by statute or bond indenture, these specific deposits are to be separately insured for the amount of \$100,000. Michigan Compiled Laws do not allow collateralization of governmental deposits.

As of June 30, 2004, the Authority's cash and cash equivalents consist of checking, savings, and certificates of deposit accounts with a carrying balance of \$6,491, which is insured by the FDIC.

Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

Note 3 – Capital Assets

Capital assets activity of the Building Authority's governmental activities was as follows:

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Disposals & Adjustments</u>	<u>Balance June 30, 2004</u>
Governmental Activities:				
Capital Assets Being Depreciated:				
Township Hall	\$ 0	\$ 496,671	\$ 0	\$ 496,671
Subtotal	0	496,671	0	496,671
Accumulated Depreciation:				
General Government	0	6,208	0	6,208
Subtotal	0	6,208	0	6,208
Net Capital Assets	<u>\$ 0</u>	<u>\$ 490,463</u>	<u>\$ 0</u>	<u>\$ 490,463</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 6,208
Total Governmental Activities	<u>\$ 6,208</u>

Note 4 - Changes In Long-Term Debt

The following is a summary of financing transactions of the Authority for the year ended June 30, 2004.

<u>General Obligation</u>	<u>Township Hall</u>
Bonds payable at July 1, 2003	\$ 473,000
ADD: Bonds issued	27,000
LESS: Bonds retired	(10,000)
Bonds payable at June 30, 2004	<u>\$ 490,000</u>

Township of Goodland Building Authority

Notes To The Financial Statements

June 30, 2004

Bonds payable at June 30, 2004 is comprised of the following issue.

General Obligation Bonds:

February 1, 2002, Township hall construction; loan due in annual payments of \$10,000 to \$31,000 (plus interest) through September 1, 2029; interest at 4.75 percent.

\$ 490,000

Payment Date	Fiscal Year Ending	Interest Rate	Principal Amount	Interest Amount	Remaining Balance
09/01/03	2004	4.75%	\$10,000	\$11,875.00	\$500,000
03/01/04		4.75%		\$11,637.50	490,000
09/01/04	2005	4.75%	10,000	\$11,637.50	480,000
03/01/05		4.75%		\$11,400.00	480,000
09/01/05	2006	4.75%	11,000	\$11,400.00	469,000
03/01/06		4.75%		\$11,138.75	469,000
09/01/06	2007	4.75%	11,000	\$11,138.75	458,000
03/01/07		4.75%		\$10,877.50	458,000
09/01/07	2008	4.75%	12,000	\$10,877.50	446,000
03/01/08		4.75%		\$10,592.50	446,000
09/01/08	2009	4.75%	12,000	\$10,592.50	434,000
03/01/09		4.75%		\$10,307.50	434,000
09/01/09	2010	4.75%	13,000	\$10,307.50	421,000
03/01/10		4.75%		\$9,998.75	421,000
09/01/10	2011	4.75%	14,000	\$9,998.75	407,000
03/01/11		4.75%		\$9,666.25	407,000
09/01/11	2012	4.75%	14,000	\$9,666.25	393,000
03/01/12		4.75%		\$9,333.75	393,000
09/01/12	2013	4.75%	15,000	\$9,333.75	378,000
03/01/13		4.75%		\$8,977.50	378,000
09/01/13	2014	4.75%	16,000	\$8,977.50	362,000
03/01/14		4.75%		\$8,597.50	362,000
09/01/14	2015	4.75%	16,000	\$8,597.50	346,000
03/01/15		4.75%		\$8,217.50	346,000
09/01/15	2016	4.75%	17,000	\$8,217.50	329,000
03/01/16		4.75%		\$7,813.75	329,000
09/01/16	2017	4.75%	18,000	\$7,813.75	311,000
03/01/17		4.75%		\$7,386.25	311,000
09/01/17	2018	4.75%	19,000	\$7,386.25	292,000
03/01/18		4.75%		\$6,935.00	292,000
09/01/18	2019	4.75%	20,000	\$6,935.00	272,000
03/01/19		4.75%		\$6,460.00	272,000
09/01/19	2020	4.75%	21,000	\$6,460.00	251,000
03/01/20		4.75%		\$5,961.25	251,000
09/01/20	2021	4.75%	22,000	\$5,961.25	229,000
03/01/21		4.75%		\$5,438.75	229,000
09/01/21	2022	4.75%	23,000	\$5,438.75	206,000
03/01/22		4.75%		\$4,892.50	206,000
09/01/22	2023	4.75%	24,000	\$4,892.50	182,000
03/01/23		4.75%		\$4,322.50	182,000
09/01/23	2024	4.75%	25,000	\$4,322.50	157,000
03/01/24		4.75%		\$3,728.75	157,000
09/01/24	2025	4.75%	26,000	\$3,728.75	131,000
03/01/25		4.75%		\$3,111.25	131,000
09/01/25	2026	4.75%	28,000	\$3,111.25	103,000
03/01/26		4.75%		\$2,446.25	103,000
09/01/26	2027	4.75%	29,000	\$2,446.25	74,000
03/01/27		4.75%		\$1,757.50	74,000
09/01/27	2028	4.75%	30,000	\$1,757.50	44,000
03/01/28		4.75%		\$1,045.00	44,000
09/01/28	2029	4.75%	31,000	\$1,045.00	13,000
03/01/29		4.75%		\$308.75	13,000
09/01/29	2030	4.75%	13,000	\$308.75	0
			<u>500,000</u>	<u>376,580</u>	

Required Supplemental Information

Goodland Township Building Authority

Budgetary Comparison Schedule - Building Authority
For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Amended Budget</u>
<u>Revenues</u>				
Rental Income - Goodland Township	\$ 38,000	\$ 38,000	\$ 34,593	\$ (3,407)
Loan Proceeds - USDA	0	0	27,000	27,000
<u>Total Revenues</u>	<u>38,000</u>	<u>38,000</u>	<u>61,593</u>	<u>23,593</u>
<u>Expenditures</u>				
Salaries	1,000	1,000	920	80
Social Security Taxes	77	77	64	13
Professional Fees	1,200	1,200	1,294	(94)
Capital Outlay	34,155	34,155	34,000	155
Debt Service - Principal	13,406	13,406	10,000	3,406
Debt Service - Interest	21,594	21,594	21,593	1
<u>Total Expenditures</u>	<u>71,432</u>	<u>71,432</u>	<u>67,871</u>	<u>3,561</u>
<u>Excess of Revenues Over (Under) Expenditures</u>	(33,432)	(33,432)	(6,278)	27,154
<u>Other Financing Sources</u>				
Operating Transfers In (Out)	0	0	2,278	2,278
<u>Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses</u>	(33,432)	(33,432)	(4,000)	29,432
<u>Fund Balance - July 1, 2003</u>	0	0	10,491	10,491
<u>Fund Balance - June 30, 2004</u>	<u>\$ (33,432)</u>	<u>\$ (33,432)</u>	<u>\$ 6,491</u>	<u>\$ 39,923</u>

Lehn L. King
Certified Public Accountant

3531 S. Van Dyke Rd
Marlette, Michigan 48453

Phone 989-635-3113
Fax 989-635-5580

September 14, 2004

Members of the Building Authority Board
Goodland Township Building Authority
Lapeer County, Michigan

Board Members:

In accordance with your request, I have made an examination of the financial statements of Goodland Township Building Authority for the fiscal year ended June 30, 2004. During the course of my examination, no significant items came to my attention.

I thank the officials for the cooperation I received in the completion of this examination. Should you have any questions in connection with the above, please contact me at your convenience.

Sincerely,

Lehn King

Lehn L. King
Certified Public Accountant